

OPERATING CONTEXT

# Strong Leasing Momentum in India

The commercial real estate in India remained buoyant in FY2024. A booming Indian economy, along with the advantage of excellent talent and favorable cost structures in India, continued to strengthen the nation's positioning as a global business destination. This has led to an upsurge in GCCs and multinationals coming to India as well as expansion and increased hiring activities among the IT/ITeS companies. Moreover, the return-to-office phenomenon that began in the previous fiscal continued to gather momentum. To meet their evolving requirements, India Inc. increasingly sought quality and innovative office spaces that promote collaborative work environments and serve as talent magnets. As a result, the net absorption in top seven cities increased to 34.71M sf in 2023, and is estimated to further increase to 44.54M sf in 2024.

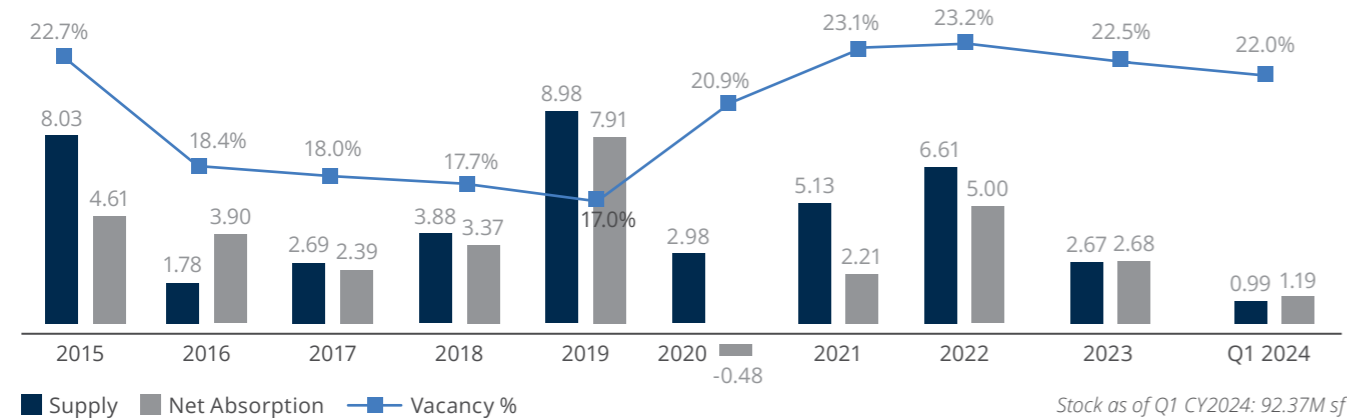
Brookfield India REIT is well-positioned to harness this opportunity. We have high-quality Grade-A properties, equipped with top-tier amenities and infrastructure to cater to the requirements of multinational companies. Additionally, being in premier business locations of Mumbai, Gurugram, Noida and Kolkata, our properties are set to benefit from the region's healthy demand.

## NATIONAL CAPITAL REGION (NCR)

Commercial real estate in the NCR region was moderate in 2023. At 2.68M sf, the net absorption in NCR exceeded the supply of 2.67M sf, contributing to a decline in vacancy to 22.5%. The continued trend of higher net absorption driven by increased demand from technology, BFSI, engineering, manufacturing and media and telecom sectors is likely to further bring down vacancies. Already in Q1 2024, the vacancies were down at 22%, with a net absorption of 1.19M sf against a supply of 0.99M sf. Supply is estimated to remain strong in the market with an estimated 4.13M sf in 2024, 5.70M sf in 2025 and 7.04M sf in 2026.

Brookfield India REIT has four high-quality properties across Gurugram North, Gurugram South, Noida Sector 62 and NGN Expressway. These micro markets, having the advantage of large integrated office developments, excellent hinterland development and seamless connectivity, are ideal for business success.

### NCR - Supply, Net Absorption & Vacancy Trend Analysis

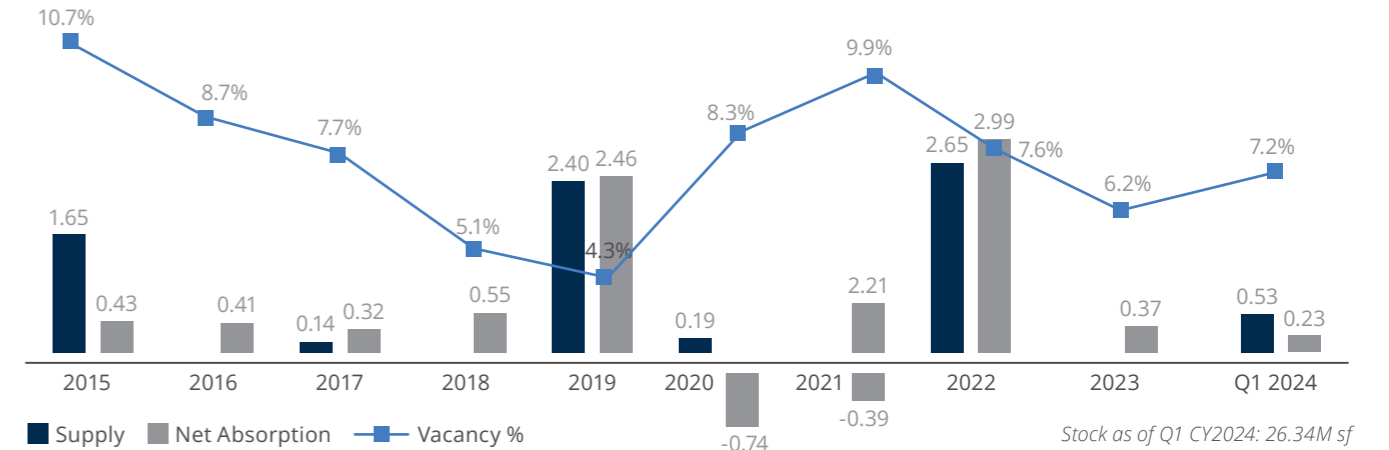


Source: Cushman and Wakefield Research

## GURUGRAM NORTH

Gurugram North is the most premium and largest micro market of NCR, contributing to ~43% of the whole NCR non-strata office market stock. With no supply and a net absorption of 0.37M sf, the micro market witnessed a significant decline in vacancy to 6.2%. In Q1 2024, the micro market saw 0.23M sf of net absorption and vacancy increasing to 7.2%. Our property Candor TechSpace G2, Gurugram is strategically located in this market. It outperformed the market in terms of rental growth, recording a 6.1% CAGR during 2015 to Q1 2024, as against the market's 4.2%.

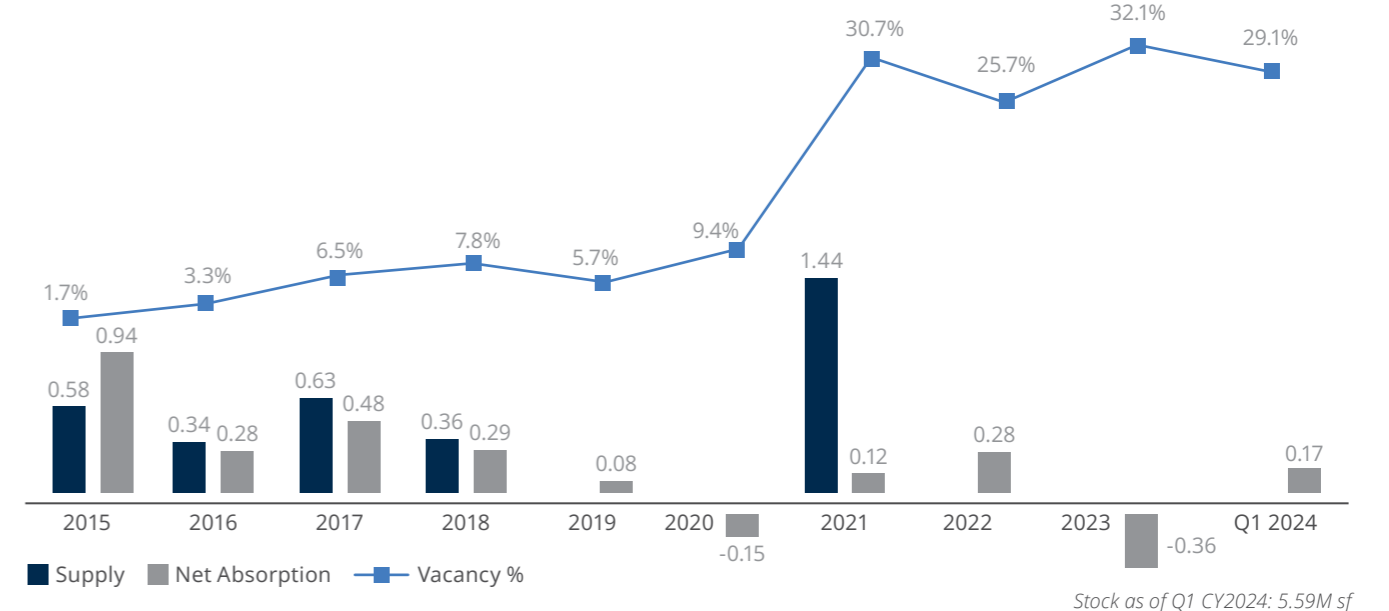
### Gurugram North - Supply, Net Absorption & Vacancy Trend Analysis



## GURUGRAM SOUTH

Demand in Gurugram South remained weak in 2023, with a net negative absorption of 0.36M sf which drove up the vacancies to 32.1%. A positive momentum was noted in Q1 2024 with a net absorption of 0.17M sf and vacancy coming down to 29.1%. Our property Candor TechSpace G1, Gurugram is in this micro market. It outperformed the market in rentals growth, registering a 7.3% CAGR during 2015 to Q1 2024 against the market's 2.2% growth.

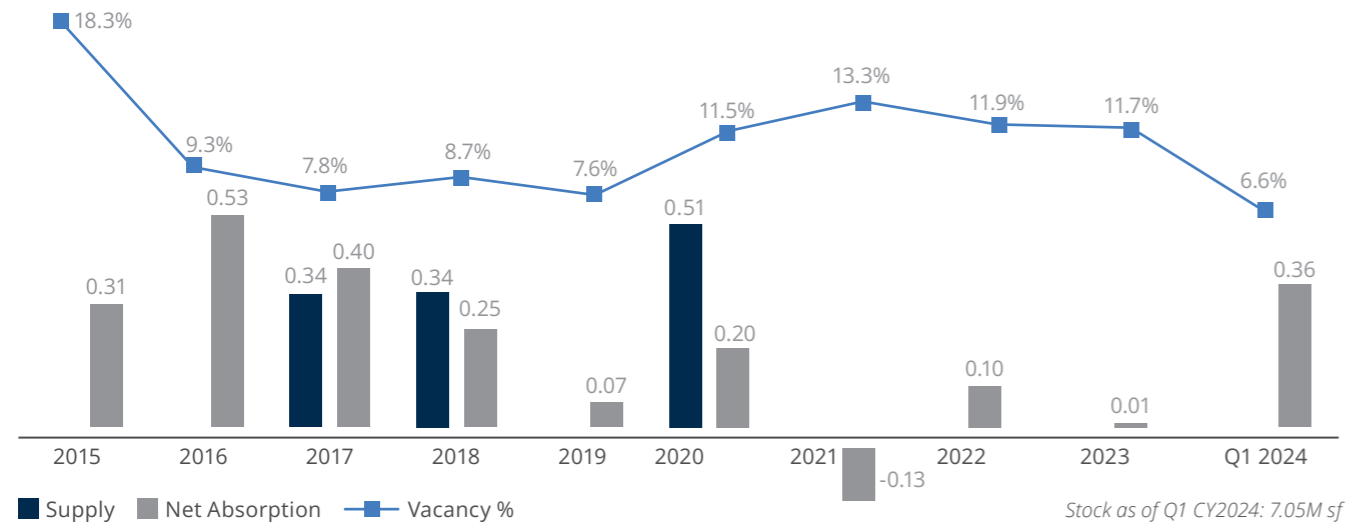
### Gurugram South - Supply, Net Absorption & Vacancy Trend Analysis



### NOIDA SECTOR 62

Noida Sector 62 houses properties established by large developers, ensuring the quality of supply in this micro market. With no new supplies and steady demand, the vacancy in this market declined to 11.7% in 2023. Further, in Q1 2024, with a robust net absorption of 0.36M sf, the vacancy dropped to 6.6%. Candor TechSpace N1, Noida is amongst the most premium IT parks in this micro market. In terms of rental growth, it outclassed the market and all our NCR properties, recording a 9.0% CAGR during 2015 to Q1 2024 against the market's 5.4%.

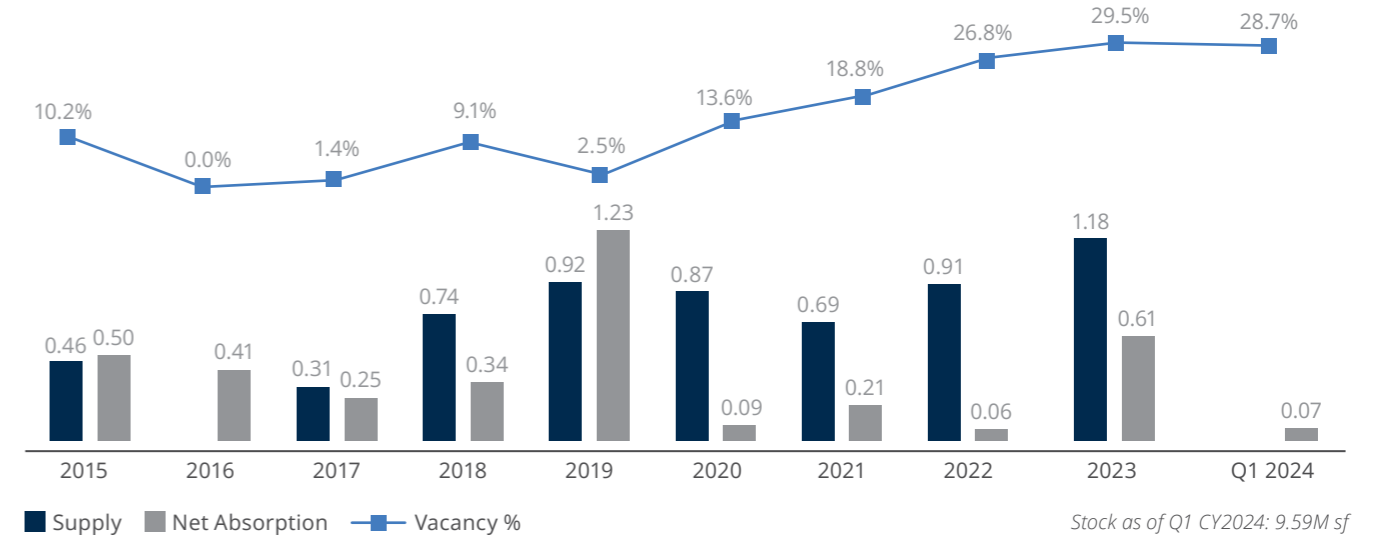
#### Noida Sector 62 – Supply, Net Absorption & Vacancy Trend Analysis



### NOIDA-GREATER NOIDA (NGN) EXPRESSWAY

A fast-growing IT/ITeS hub with excellent physical infrastructure, NGN expressway has been consistently witnessing supply additions and demand from high-quality tenants pursuing entry or expansion in Noida since 2015. The stock in this market has grown from ~4.0M sf in 2015 to ~9.6M sf in 2024. In 2023, the market witnessed a robust supply of 1.18M sf with 0.61M sf of net absorption, increasing vacancies to 29.5%. Q1 2024 saw no new supplies and 0.07M sf of net absorption. Candor TechSpace N2, Noida is the largest office campus in this location and amongst the most demanded. With 7.0% CAGR rental growth during 2015 to Q1 2024 against the market's 3.8%, its rentals are higher than those of the market.

#### NGN Expressway – Supply, Net Absorption & Vacancy Trend Analysis



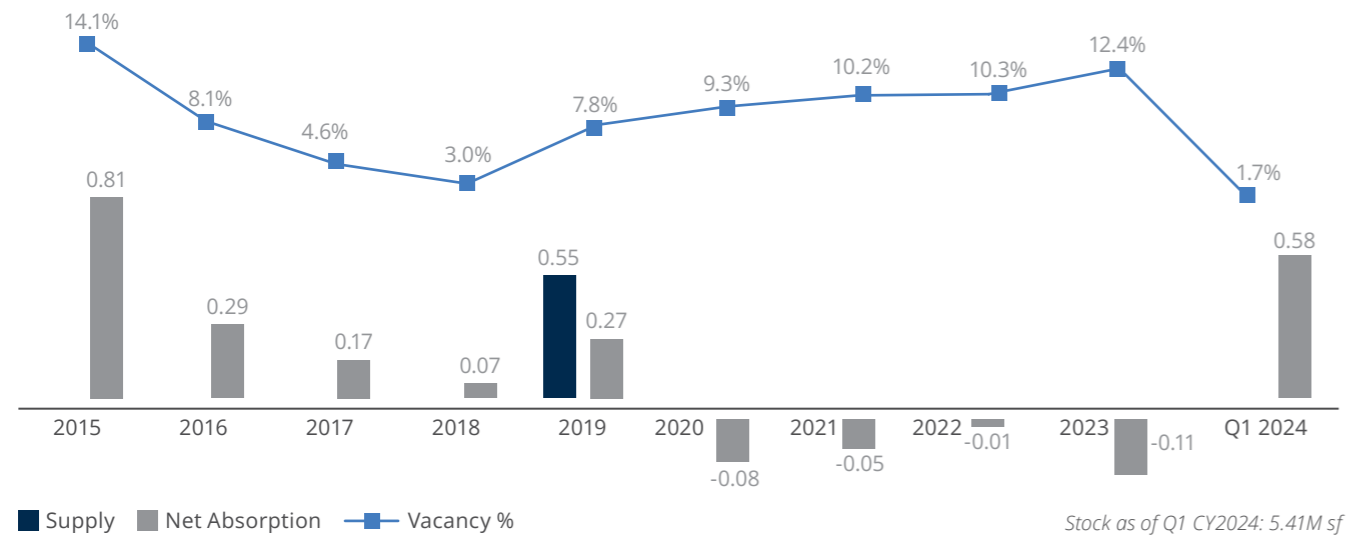
### KOLKATA (NEWTOWN)

Kolkata's commercial real estate witnessed an uptick in 2023, with new supplies of 0.80M sf against no supplies in the earlier three years. Net absorption was at 0.67M sf in 2023. In terms of supply, Kolkata is estimated to add 1.84M sf space in 2025.

Newtown is the most prominent office market in Kolkata with the highest demand and accounting for a majority of the city's overall office inventory. With large IT parks, it fits well with the requirements of the technology sector, which is the region's primary demand contributor. 2023 was a lean period for this micro market with a negative net absorption of 0.11M sf. However, in Q1 2024 demand rebounded, resulting in a net absorption of 0.58M sf and vacancy falling to 1.7%.

Candor TechSpace K1, Kolkata is in the thriving Newtown micro market. It is the most premium campus, and with one other developer's campus makes up 100% of the total Non-Strata owned Grade-A office stock of Newtown. The property's rentals have grown at a CAGR of 5.7% during 2015 to Q1 2024, against the market's 2.2% growth.

#### Newtown – Supply, Net Absorption & Vacancy Trend Analysis



Source: Cushman and Wakefield  
 Note: Only Non-Strata (single owned) office buildings have been considered in this analysis



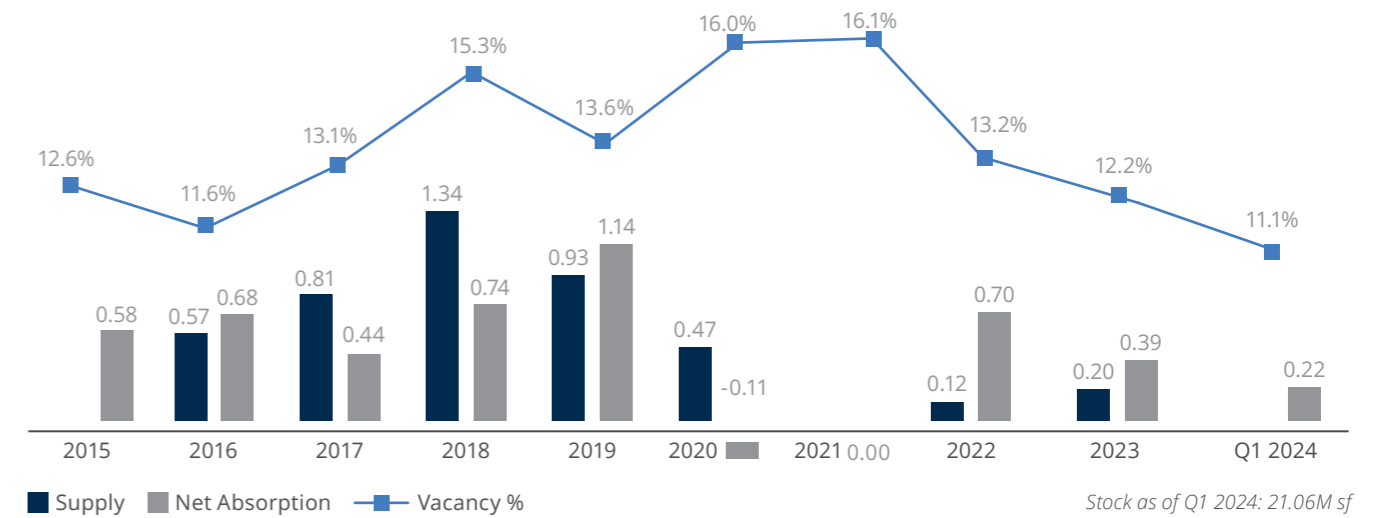
### MUMBAI (DOWNTOWN POWAI – COMMERCIAL/IT PARK)

Mumbai commercial real estate witnessed strong traction across micro markets. In 2023, the city saw a net absorption of 4.33M sf against a supply of 1.98M sf, bringing down vacancy to 18.4%. The momentum continued in Q1 2024 with net absorption of 2.78M sf and vacancy at 16.8%. Supply in Mumbai is estimated to remain strong at 7.64M sf in 2024, 9.62M sf in 2025 and 12.13M sf in 2026, with Andheri and Powai contributing to ~27.4% of the overall supply over three years.

Andheri and Powai micro markets continue to witness steady demand. The net absorption in 2023 was at 0.39M sf and in Q1 2024 it was already at 0.22M sf with vacancy at 11.1%. The average annual absorption in this micro market has been ~0.52M sf over the period 2015 to Q1 2024. Low supplies alongside a steady demand continue to drive up the rentals in this micro market. The competitive REIT micro market of Mumbai continues to witness steady growth, with an average annual net absorption of ~0.78M sf during the period 2015 to Q1 2014.

Our properties Kensington, Downtown Powai – Commercial/IT Park, Mumbai and Downtown Powai – Commercial/IT Park Mumbai are in Andheri and Downtown Powai micro markets respectively. These micro markets have a large concentration of Global Capability Centers (GCCs) from the BFSI sector. Our properties have witnessed steady rental growth and continue to be in demand.

#### Andheri and Powai – Supply, Absorption & Vacancy Analysis



Source: Cushman and Wakefield  
 Note: Only Non-Strata (single owned) office buildings have been considered in this analysis

